



STATE OF DELAWARE

**PUBLIC SERVICE COMMISSION**  
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June 5, 2018

**MEMORANDUM**

TO: The Chair and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF GLOBAL ENERGY, LLC D/B/A GLOBAL ENERGY ELECTRIC & GAS FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED JANUARY 10, 2018; FILED JUNE 1, 2018) - PSC DOCKET No. 18-0019

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**Background**

On January 10, 2018, Global Energy, LLC D/B/A Global Energy Electric & Gas (the "Company" or "Global Energy") submitted an application (the "Application") with the Delaware Public Service Commission (the "Commission") for an Electric Supplier Certificate ("ESC") to broker electricity in the State of Delaware pursuant to § 1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §§ 1001 - 1020 (the "Act") and 26 *Del. Admin. C.* § 3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").<sup>1</sup>

**Application**

The Company's original filing was submitted on January 10, 2018, but the submitted Application did not meet the minimum filing requirements ("MFR's"). In a letter dated February 23, 2018, Commission Staff ("Staff") requested the Company submit certification documents from the state of New York, documents regarding its authority to do business in the state of Delaware, financial capability, marketing plans, and a Commission Order for the state of Maryland. The Company's response was dated March 6, 2018 and did not include the Order from the Maryland's Public Service Commission and marketing materials for small business customers. Staff sent a second request for the outstanding information on March 13, 2018. The Company submitted an Order from the Maryland Public Service Commission on April 9, 2018. The Company also stated that marketing materials for small commercial customers were not developed. In a third request for additional information, Staff requested specifics regarding the Company's intent to market to small commercial customers and a Certificate of Good Standing for the state of New York. The Company's responses dated May 17, 2018 and June 1, 2018 satisfied the requirements of the MFR's.

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<sup>1</sup> Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

## **Review and Analysis**

### **Authority to do Business in Delaware**

The Company is a limited liability company formed in the State of New York. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware. The Delaware Certificate of Good Standing was issued October 13, 2017. The current Delaware business license was issued November 21, 2017 and is valid from January 1, 2018 through December 31, 2018.

### **Resident Agent**

The Company supplied the contact information for a Delaware Registered Agent listed in the Application as InCorp Services, Inc., 919 North Market Street, Suite 425, Wilmington, DE 19801.

### **Compliance with Regional Requirements**

The Company agreed to only work with an entity that complies with PJM's requirements and is a certified electric supplier in Delaware.

## **Financial, Operational, Managerial and Technical Ability**

The Company initially provided a copy of its independently audited financial statements for the year ended December 31, 2015 to support its Application. Subsequently, the Company provided a copy of its Balance Sheet as of December 31, 2017 and Profit & Loss Statement for the period of January through December 2017 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules in its initial Application. Staff has reviewed the financial statements and the Company has satisfied the requirements of the Supplier Rules for purposes of brokering electric supply services in the State of Delaware.

The Company initially anticipated serving Small Commercial, Large Commercial, and Industrial customers throughout the State of Delaware. However, the Company later amended this position to only serve Large Commercial and Industrial customers in Delaware. The Company's Application states that it is currently licensed in the states of Massachusetts, Maryland, New Jersey, and Rhode Island to broker electric and natural gas supply services. Global Energy is also licensed in the District of Columbia to broker electric supply services only. The Application also listed New York and New Jersey as states in which the Company is authorized as a supplier of electric and natural gas services.

The Application included a summary of experience and qualifications for its officers. John H. Kim has served as President of Global Energy since February 2010. He has eight years of managerial experience and experience in the energy industry.

### **Surety Bond**

The Company did not post a surety bond because there are no service agreements between the Company and any Delaware Electric Distribution Company.

### **Verification of Application**

The Application and subsequent filings to the Application contained a signed sworn verification of application with the signature of John H. Kim.

### **Consent to Jurisdiction**

The Company consents to the jurisdiction of the Delaware courts.

#### Contracts

The Company has not submitted copies of customer contracts because it will operate as a broker. The Company did not submit marketing materials intended to be used in the state of Delaware because Global Energy will not be serving residential or small commercial customers.

#### Statement of Criminal Activity

The Applicant stated that it has not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals did not return any incidents of criminal activity.

#### Legal Review

Staff submitted this Memo for review by the Attorney on \_\_\_\_\_.

#### Staff Recommendation

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The completed Application supports the Company's request for certification. Staff's review and analysis of the Application demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.